

March 3, 2016

David McPeak  
Technical Manager  
International Accounting Education Standards Board  
International Federation of Accountants

By electronic submission via IAESB website

Dear Mr. McPeak,

This letter, on behalf of the Pre-Certification Education Executive Committee (PcEEC) of the American Institute of Public Accountants (AICPA), is in response to the IAESB's request for comments on the Board's Consultation paper *Meeting Future Expectations of Professional Competence: A Consultation on the IAESB's Future Strategy and Priorities*. We address the specific areas on which IAESB seeks comments and offer additional feedback for the Board's consideration.

***Overall Feedback:***

We congratulate the IAESB on its good work in developing the IESs. We believe that the IES, in their current form, are comprehensive and provide clear guidance to member bodies. Therefore, we believe the IAESB should allow IFAC member bodies a period of time to implement the existing IESs before engaging in activities to enhance existing standards or develop new standards. Also, we believe that any material developed by the IAESB to support adoption and implementation of the IESs should be developed in response to issues, questions and comments from IFAC member bodies as they implement the IESs. While monitoring the implementation of the standards by member bodies, the IAESB will be able to also facilitate thought leadership on relevant issues and identify the need for possible future revisions to the standards. However, thought leadership and future revisions should be driven by the experiences of member bodies implementing the standards.

***Question 1: What enhancements, if any, do you feel should be made to the existing International Education Standards (IESs)?***

We believe that there are no enhancements needed at this time.

***Question 2: How can the IAESB align the requirements of IES 7, Continuing Professional Development (2014) to support the learning outcomes approach of the other IESs, including IES 8, Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised)?***

We believe there is no need to align the requirements of IES 7 to support the learning outcomes approach of the other IESs at this time.

We support a learning outcomes approach for Initial Professional Development as expressed in IES 1 through 4. We agree that there is a body of foundational knowledge, skills and abilities (KSAs) that all aspiring professional accountants should attain. The outcomes articulated in IESs 1 through 4 are thorough and reflect the careful consideration and thought leadership exercised by the IAESB when drafting the standards. We also recognize that professional accountants build on these foundational KSAs to develop sometimes very narrow areas of expertise. The IAESB recognizes that professional accountants operate in an environment that is continuously changing and their areas of expertise therefore evolve rapidly. We do not believe it would be a productive use its resources for the IAESB to develop learning outcomes for Continuing Professional Development in areas of expertise practiced by professional accountants. Nor do we believe that, given the nature of standard setting, such learning outcomes could be developed on a timely basis.

We also note that IES 5 recognizes the variety of roles played by professional accountants in allowing IFAC member bodies to adapt their practical experience requirements. The choice of using input-based, output-based or combination approaches to measuring continuing professional development (CPD) under IES 7 are appropriately aligned with the requirements of IES 5.

***Question 3: What action, if any, should the IAESB take to improve professional competence related to the appropriate exercise of professional skepticism and professional judgment?***

We note that the International Auditing and Assurance Standards Board (IAASB) has formed a working group comprised of representatives from the IAESB and the International Ethics Standards Board for Accountants (IESBA) to explore the topic of professional skepticism to consider what actions may be appropriate to enhance professional skepticism. We believe there is no additional action needed at this time by the IAESB. Once the results of other efforts are realized, the IAESB can consider those conclusions.

***Question 4: What new IESs, if any, do you suggest be developed to address emerging matters related to the education of aspiring professional accountants and professional accountants?***

We believe no new IESs should be developed at this time.

The IAESB recognizes that time is needed to allow IFAC member bodies to fully implement the recently revised IESs before assessing whether the goals of the standards are being achieved. As member bodies implement the existing standards, the IAESB should encourage member bodies to provide feedback to the IAESB for its consideration. Such feedback could inform the IAESB and other member bodies so that the need for new or revised standards can be evaluated. Writing new standards before a significant number of implementation issues by various member bodies are identified would be premature.

***Questions 5: What other activities, if any, do you suggest the IAESB prioritize for the period 2017-2021 (for example, implementation support; guidance; communications; thought leadership publications)?***

In the near term, we believe the IAESB should limit its activities to observing the implementation process, identifying issues experienced by member states during implementation, and describing deficiencies identified through the implementation process. In the longer term we believe such descriptions can be used as a basis of discussion to determine whether new standards or revisions of existing standards are needed.

Respectfully,



Sharon Lassar

Chair, AICPA Pre-certification Education Executive Committee

*Additional Members of PcEEC Assisting:*

Joseph Ugrin, Lynda Dennis, John Lacey, Nancy Bagranoff, Gary Bolinger, Jane Rubin, Susan Wolcott